# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

200 W. Washington, Suite 301 Indianapolis, IN 46204 (317) 233-0696 http://www.in.gov/legislative

### FISCAL IMPACT STATEMENT

**LS 6850 NOTE PREPARED:** Mar 28, 2011 **BILL NUMBER:** HB 1405 **BILL AMENDED:** Feb 14, 2011

**SUBJECT:** Tobacco Matters.

FIRST AUTHOR: Rep. Cherry

BILL STATUS: 2<sup>nd</sup> Reading - 2<sup>nd</sup> House

FIRST SPONSOR: Sen. Alting

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

Summary of Legislation: This bill defines "dissolvable tobacco product". It provides that a person or retail establishment that knowingly: (1) sells or distributes a dissolvable tobacco product to a person less than 18 years of age; or (2) purchases a dissolvable tobacco product for delivery to a person less than 18 years of age; commits a Class C infraction. It also provides that a person who is less than 18 years of age who: (1) purchases a dissolvable tobacco product; (2) accepts a dissolvable tobacco product for personal use; or (3) possesses a dissolvable tobacco product, commits a class C infraction. The bill provides that a dissolvable tobacco product is considered a tobacco product for purposes of provisions relating to the regulation of tobacco vending machines. It also provides that the owner of a retail establishment that sells or distributes tobacco products through a self-service display, commits a Class C infraction. (Current law provides that the owner of a retail establishment that sells or distributes cigarettes through a self-service display, commits a Class C infraction.)

Effective Date: July 1, 2011.

### **Explanation of State Expenditures:**

**Explanation of State Revenues:** *Penalty Provision:* The maximum judgment for a Class C infraction is \$500, which would be deposited in the state General Fund. However, any additional revenue is likely to be small

### **Explanation of Local Expenditures**

**Explanation of Local Revenues:** *Penalty Provision:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from court fees. However, any additional revenue is likely

HB 1405+ 1

to be small.

## **State Agencies Affected:**

<u>Local Agencies Affected:</u> Trial courts, local law enforcement agencies.

**Information Sources:** 

Fiscal Analyst: Diana Agidi, 317-232-9867.

HB 1405+ 2